

MOTION BY SUPERVISOR ZEV YAROSLAVSKY

October 23, 2012

Last March, following media reports of alleged misconduct by Sheriff Department's Aero Bureau employees, I introduced a motion instructing the Auditor-Controller to conduct an investigation of the allegations, as well as a comprehensive audit of Aero Bureau contracts. On October 10<sup>th</sup>, the Auditor-Controller released Phase 1 of her findings.

The audit did not identify any concerns with the purchase of similar helicopters or helicopter completion services, nor did it substantiate the informants' allegations that purchases could have been made at lower cost. Further, given the limited amount of purchasing from the company in question, the Auditor-Controller found no indication of favoritism.

The review did, however, identify improprieties related to compliance with County policies and practices regarding bidding, contracting and purchasing. Specifically, the Department materially modified contract language for four Master Agreements to provide the Department with sole discretion to select any vendor without the transparency or pricing benefits of the competitive bidding process. Such changes are inconsistent with the County's rules governing the competitive solicitation process. Moreover, these contract modifications were made without notifying the Board.

MOTION

MOLINA \_\_\_\_\_

RIDLEY-THOMAS \_\_\_\_\_

KNABE \_\_\_\_\_

ANTONOVICH \_\_\_\_\_

YAROSLAVSKY \_\_\_\_\_

As a result, 40% of the sampled helicopter repair contracts were not competitively bid. While the Sheriff may have an occasional need for emergency repair work to keep their helicopters air worthy, there is no reason to compromise County policies designed to ensure equity and fairness in the contracting process. In fact, the Internal Services Department is available to assist the Sheriff with the development of a sole source process to be used in an emergent situation.

**I, THEREFORE, MOVE** that the Sheriff be requested to report back in 60 days on the status of implementation of all the recommendations in the Auditor-Controller's report, including those that would: revise all existing applicable Master Agreements and purchase orders to fully disclose deviations from County standards, including but not limited to, identifying the work order award process and criteria for situations where the process may be modified (i.e., emergency purchases); ensure the acquisition of aircraft repair services and parts are in compliance with County purchasing policies, including policies for competitive bidding, sole source and emergency purchasing; establish a policy that all material deviations from model agreement terms and conditions must be specifically noted within documentation provided in support of the associated Board agenda item; and, review and evaluate the Aero Bureau's uniform and safety requirements and applicable union collective bargaining agreements to clarify when it is appropriate to purchase jackets for inclement weather.

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